

Australian Customs Notice No. 2023/01

Sea Cargo Reporting Requirements and Inspection Arrangements

(Replacing ACN 2022/38)

This notice replaces Australian Customs Notice No. 2022/38 and all other previous notices on the same subject matter, and is intended to clarify mandatory reporting timeframes and update the free storage arrangements for Full Container Loads (FCLs) of containerised cargo selected to be subject to ABF compliance activity. This notice does not amend any existing legislative requirements for sea cargo reporting and inspection arrangements.

Background

The Australian Border Force (**ABF**) plays an important role at airports and seaports, protecting Australia's border and enabling legitimate trade and travel. The ABF looks for items that could put Australia's security, economy, environment or health at risk.

Mandatory reporting timeframes

Prior to the arrival of cargo in Australia, it is a requirement for the intended importation of the cargo to Australia to be reported electronically to the ABF under section 64AB of the *Customs Act 1901* (Cth) (**Customs Act**). A report under this section of the Customs Act of goods arriving by sea is known as a sea cargo report (**SCR**), and is lodged in the Integrated Cargo System (ICS).

The ABF assesses all incoming sea cargo before the cargo can be released into the Australian community.

For all sea journeys to Australia that take 48 hours or more, the SCR must be lodged with the ABF at least **48 hours before the estimated time of arrival** at the first port of arrival in Australia.

For shorter voyages:

- For a journey that is likely to take at least 24 hours but less than 48 hours, the SCR must be provided to the ABF at least 24 hours before the estimated time of arrival of the vessel at the first port in Australia.
- For a journey that is likely to take less than 24 hours, the SCR must be provided to the ABF at least 12 hours before the estimated time of arrival of the vessel at the first port in Australia.

It is recommended that all remaining documentation, including the Full Import Declaration (FID), is provided to the ABF at least **24 hours prior** to the arrival of the vessel at the port of discharge.

Failure to meet these reporting requirements may result in an infringement notice being issued to the importer and/or owner by the ABF under the <u>Infringement Notice Scheme</u>, or possible commencement of legal enforcement proceedings.

Selection of cargo for further inspection or examination

Compliance with the timeframes referred to above will assist the ABF in completing its intelligence informed and risk based approach to advising whether or not cargo:

- a) is to be cleared on arrival in Australia; or
- b) will be held on arrival for further inspection or examination. This may involve physical examination either at the terminal or at a Cargo Examination Facility (**CEF**).

There may be circumstances requiring the ABF to place a late hold on cargo (that may otherwise have been pre-cleared) even if the SCR and other documentation is provided in accordance with the timeframes above.

The ABF has existing arrangements in place with stevedores and logistics providers to facilitate the efficient inspection and examination of FCL's of containerised cargo.

Costs and Charges

Importers and exporters must make provisions in their reporting and logistics arrangements for the possibility of their cargo being selected by the ABF for non-intrusive inspection (e.g. x-ray), or physical examination.

The ABF is not responsible for any costs incurred by importers in relation to held FCLs of containerised cargo, including but not limited to storage, demurrage and detention fees.

Storage

Container Terminal Operators (**CTOs**) generally provide importers with three days of free storage for containerised cargo at a terminal upon initial arrival. At any time, the ABF may remove selected containers from a terminal to be inspected and/or examined at a CEF.

If a container returns to the terminal from a CEF with less than 24 hours free storage remaining, the importer will generally be entitled to an additional 24 hours free storage on that container upon return to the terminal, to allow sufficient time for collection. This applies only to FCL containerised cargo and excludes break bulk cargo.

In addition to mandatory reporting timeframes for SCRs, the ABF recommends that all remaining documentation be provided to the ABF at least 24 hours prior to the arrival of the vessel at the port of discharge. This period of time is intended to allow the ABF to conduct its risk assessment processes and meet the terms for access to the additional free storage arrangements. Containers that are the subject of a late report and/or a late hold will not be eligible for any additional free storage.

While the ABF endeavours to complete inspection and clearance of a FCL of containerised cargo as soon as practical, it should be noted that any free days of storage provided by CTOs are not service level standards to which the ABF adheres. ABF clearance is likely to take longer than three days if the mandatory reporting timeframes have not been met.

For advice on any free storage arrangements that your stevedore applies, please contact your service provider.

Examination at a CEF

The Customs Act provides the ABF with the power to examine any goods subject to customs control and the expense of this examination, including the cost of removal to a place of examination, will be borne by the goods owner (section 186).

The ABF generally recovers the cost of presenting cargo for examination through the Import Processing Charge.

Details of the Import Processing Charge for sea cargo is available on the ABF website at: www.abf.gov.au/importing-exporting-and-manufacturing/importing/cost-of-importing-goods/charges.

Damage to Goods

Insurance of cargo is a matter for importers and/or owners.

Under section 34 of the Customs Act, the ABF is not liable for any loss or damage to any goods which are subject to customs control except by the neglect or wilful act of some officer.

Contacting the ABF

Any queries about the status of your cargo should be directed to Cargo Systems Support using the online enquiry form located at https://www.abf.gov.au/help-and-support/ics/cargo-support-enquiry.

For urgent clearance matters concerning Special Clearance Goods as defined in section 70 of the Customs Act, please call the Cargo System Support team on 02 6275 6100.

[Signed]

Julie FURBY

A/g Commander ABF Workforce Capability South, East and Workforce Group 27 January 2023